



12 December 2019

 [research@rakutenrade.my](mailto:research@rakutenrade.my)

## Previous Day Highlights

The FBM KLCI was 0.1% or 1.4 points higher to 1,563.2 yesterday. Volume traded was 2.37bn while value traded was RM1.71bn. There were 421 gainers versus 379 losers.

Hang Seng Index gained 208.8 points to 26,645.4 while Shanghai Composite Index was 0.24% higher to 2,924.4. Nikkei 225 Index inched down 0.08%.

U.S. stock markets trended slightly higher overnight as the Dow Jones Industrial Average Index was 0.11% higher. Nasdaq gained 0.44% while S&P 500 increased 0.29%.



## News For The Day

### **7-Eleven to privatise Caring Pharmacy after MGO**

7-Eleven Malaysia Holdings Bhd said it does not intend to maintain the listing status of Caring Pharmacy Group Bhd on Bursa Malaysia if the offerors Convenience Shopping (Sabah) Sdn Bhd and persons acting in concert receive valid acceptances for the mandatory general offer (MGO). – *Sunbiz*

### **Terengganu may buy 'reasonable amount' of equity in Petronas**

The Terengganu state government says it will consider buying a stake in Petroliam Nasional Bhd (Petronas) if it is for a reasonable amount of equity. – *Sunbiz*

### **Velesto bags US\$30m job from Mubadala Petroleum**

Velesto Energy Bhd has bagged a US\$30m contract from Abu Dhabi's Mubadala Petroleum LLC to provide jack-up drilling rig to undertake drilling services for the Pegaga development drilling programme. The contract is to drill seven firm wells with an expected commencement date envisaged for the second quarter of 2020. – *The Edge Markets*

### **Global airline industry's net profit to grow 13% in 2020**

The global airline industry is expected to record a net profit of US\$29.3bn in 2020, up 13% from a revised forecast of US\$25.9bn in 2019, says the International Air Transport Association. If achieved, 2020 will mark the industry's 11th consecutive year in the black. – *The Edge Markets*

### **Bank Islam to take over BIMB listing status**

BIMB Holdings unveiled the long-awaited restructuring exercise in which its wholly-owned unit Bank Islam Malaysia Bhd will take over the listing status through a share swap scheme. – *The Edge Financial Daily*



## Our Thoughts

Indication from the Federal Reserves that rates will remain indefinitely induced some profit takings on treasuries with the US 10-year yield touching 1.80% from 1.75% before. We would expect bonds to experience some selling pressure going forward thus may see the same on the MGS. Meanwhile trading on equities are anticipated to remain nonchalant with the US China trade talk still undecided. Locally, we expect another flattish day with the FBM KLCI looking to retest the 1,565 mark as chances for a shift in portfolio adjustments from bonds to equities are highly likely.



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**RAKUTEN TRADE SDN BHD (266701-P)**

Level 7, Kenanga Tower, 237, Jalan Tun Razak, 50400 Kuala Lumpur, Malaysia  
Telephone: (603) 2110 7188 Website: [www.rakutenrade.my](http://www.rakutenrade.my)

Kenny Yee Shen Pin  
Head of Research